AN ORDINANCE BY TRANSPORTATION COMMITTEE

AN ORDINANCE AMENDING CHAPTER 22, ARTICLE III, DIVISION 7, OF THE CODE OF ORDINANCES OF THE CITY OF ATLANTA; TO CREATE CODE SECTION 22-206 TITLED OFF-AIRPORT PARKING OPERATORS ON BEHALF OF THE DEPARTMENT OF AVIATION GROUND TRANSPORTATION DIVISION, FOR THE PURPOSE OF RESTRUCTURING THE FEES THE CITY ASSESSES OFF-AIRPORT PARKING OPERATORS; AND FOR OTHER PURPOSES.

WHEREAS, Hartsfield-Jackson Atlanta International Airport (the "Airport") is the world's busiest airport, responsible for facilitating the movement of 88 million passengers in 2009; and

WHEREAS, the Airport is working on a multi-billion dollar expansion project, which includes an International Terminal, and the enhancement of the nearly 30 year-old Central Passenger Terminal Complex; and

WHEREAS, the Airport's projects will increase its capacity and efficiency and require greater operational flexibility in order to meet the growing and evolving needs of the traveling public; and

WHEREAS, Chapter 22, Article III, Division 7, of the Code of Ordinances of the City of Atlanta, sets forth ground transportation services at the Airport; and

WHEREAS, the City desires to create a section for off-airport parking operators and to increase the fees assessed to off-airport parking operators using the Airport; and

WHEREAS, the fees charged off-airport parking operators have not been adjusted in more than 20 years and the revenues received from such fees is far below industry standard; and

WHEREAS, the City conducted an analysis off-airport parking operators at other airports and found that overwhelmingly off-airport parking operators pay airports a percentage of gross revenues for airport use; and

WHEREAS, accordingly, the City desires to restructure its off-airport parking fees to align itself with the industry.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF ATLANTA, GEORGIA AS FOLLOWS:

SECTION 1: That Chapter 22, Article III, Division 7, Subdivision 1, of the Code of Ordinances of the City of Atlanta, Georgia, be amended to create a new section as follows:

Sec. 22-206 Off-Airport Parking Operators.

- (1) Off-airport parking operators shall pay a fee of eight percent of gross receipts annually for the privilege of operating upon the premises of the airport. Gross receipts means all revenue paid or payable and all compensation received from the off-airport parking operator's business operations at each facility served by the off-airport parking operator's vehicles, including without limitation, the following:
 - 1. All sums received as parking charges after any applicable discount;
 - 2. All sums received as parking fees;
 - 3. All sums received in connection with providing any amenities or services in connection with parking;
 - 4. All sums received for valet services or other services rendered in connection with the off-airport parking operator's business;
 - 5. The fair market value of any goods, services or other things of value received by the off-airport parking operator as compensation for, or in exchange for, parking or any of the other goods and services referred to above.
 - 6. Gross receipts shall not include the following: the amount of any federal, state, or municipal sales, or other similar taxes (which do not include non-tax fees such as airport use fees), whether or not separately stated and/or collected directly from customers of the user, now or hereinafter levied or imposed; any sums received as insurance payments or otherwise for damage to automobiles or other property of the user or for loss, conversion, or abandonment of such automobiles or property; or any sums received by reason of the user's

disposal of capital assets and/or trade fixtures. With the approval of the Airport's General Manager, a user that also provides parking for non-airport-related activities may deduct the resulting non-airport-related gross receipts.

- (2) Off-airport parking operators shall be assessed fees based patrons originating from or traveling to the airport from the off-airport parking operators' facility.
- (3) All off-airport parking operators must affix an AVI Tag to each vehicle operating at the airport in order to gain admittance to the ground transportation center.
- (4) The fee for an AVI Tag shall be \$50.00.
- (5) The AVI Tag replacement fee shall be \$75.00.

SECTION 2: That Sections 22-207 through 22-220 Chapter 22, Article III, Division 7, Subdivision 1, of the Code of Ordinances of the City of Atlanta, Georgia, be reserved.

SECTION 3: That all existing Ordinances or parts of Ordinances in conflict herewith shall be waived to the extent of the conflict.

<u>Part II: Legislative White Paper:</u> (This portion of the Legislative Request Form will be shared with City Council members and staff)

A. To be completed by Legislative Counsel:	
Committee of Purview:	
Caption:	
Council Meeting Date:	
Requesting Dept.:	
FAC Confirmed by:	

B. To be completed by the department:

1. Please provide a summary of the purpose of this legislation (Justification Statement).

The Airport currently charges the lowest ground transportation fees in the country and ranks last among peer airports surveyed in terms of fees assessed to Off-Airport Parking Operators. This legislation will bring the airport inline with the industry trend of assessing a percentage of gross receipts to Off-Airport Parking Operators and to charge a fee that is reflective of the privileges and benefits that is derived by Off-Airport Parking Operators. A new \$1.5 million automated vehicle identification (AVI) system has been installed as part of the Parking Revenue Control System that provides automated access into the airport's Ground Transportation Center. In addition, \$2.5 millions were spent on upgrades to the Center and provides a higher level of customer service to the customers utilizing the Off-Airport Parking Operators' services.

2. Please provide background information regarding this legislation.

The Airport is working on a multi-billion dollar expansion project, which includes a International Terminal, and the expansion of the Central Passenger Terminal Complex. The Airpor's dramatic expansion will increase its capacity and efficiency and require greater operational flexibility in order to meet the growing and evolving needs of the traveling public. The current Off-Airport Parking Operator fees have not been adjusted in more than 20 (twenty) years and does not reflect the benefit and use of the airport's ground transportation infrastructure.

3. If Applicable/Known:

(a)	Contract Type (e.g. Professional Services, Construction Agreement, etc):
(b)	Source Selection:
(c)	Bids/Proposals Due:
(d)	Invitations Issued:
(e)	Number of Bids:
(f)	Proposals Received:
(g)	Bidders/Proponents:
(h)	Term of Contract:
4. Fur	d Account Center (Ex. Name and number):
Fund:	Account: Center:
5. So	rce of Funds: Example: Local Assistance Grant
	cal impact:
Exam Cente	ple: This legislation will result in a reduction in the amount of to Fund Account related to the sum of
7. Me	thod of Cost Recovery:
Exam	
	a. Revenues generated from the permits required under this legislation will be used to fund the personnel needed to carry out the permitting process.
	 Money obtained from a local assistance grant will be used to cover the costs of this Summer Food Program.

This Legislative Request Form Was Prepared By:

TRANSMITTAL FORM FOR LEGISLATION

TO: MAYOR'S OFFICE
Dept.'s Legislative Liaison: Anita Williams
Contact Number: 404-530-6600
Originating Department: Aviation
Committee(s) of Purview: <u>Transportation</u>
Chief of Staff Deadline: 06/29/10
Anticipated Committee Meeting Date(s): 07/14/10
Anticipated Full Council Date: 07/19/10
Legislative Counsel's Signature: Mariangela Corales
Commissioner Signature:
CAPTION AN ORDINANCE AMENDING CHAPTER 22, ARTICLE III, DIVISION 7, OF THE CODE OF ORDINANCES OF THE CITY OF ATLANTA; TO CREATE CODE SECTION 22-206 TITLED OFF-AIRPORT PARKING OPERATORS ON BEHALF OF THE DEPARTMENT OF AVIATION GROUND TRANSPORTATION DIVISION, FOR THE PURPOSE OF RESTRUCTURING THE FEES THE CITY ASSESSES OFF-AIRPORT PARKING OPERATORS; AND FOR OTHER PURPOSES.
FINANCIAL IMPACT (if any)
Mayor's Staff Only
Received by CPO: Received by LC from CPO: (date)
Received by Mayor's Office: 7. (0 Reviewed by: (date)